

Federal Family Education Loan Program  
Federal Stafford, Supplemental Loans for Students (SLS), PLUS, and Consolidation Loans  
Economic Hardship Deferment RequestOMB No. 1840-0716  
Form Approved  
Exp. Date 02/28/98DO NOT USE THIS FORM if you have any outstanding Federal Family Education Loan Program loans that were made **BEFORE** July 1, 1993.**WARNING:** Any person who knowingly makes a false statement or misrepresentation on this form shall be subject to penalties which may include fines or imprisonment under the United States Criminal Code and 20 U.S.C. 1097.Please enter or correct the following information. If correction, check this box: ☐SSN    -    -    Name Address City, State, Zip Telephone — Home (  ) Telephone — Work (  ) 

Section 1 — Deferment Request - Must be completed in full and signed in ink by borrower. See definitions on the following page.

I meet the qualifications for the Economic Hardship Deferment checked below and request that my lender defer repayment of my loans beginning (MM-DD-YY)    -    -    . (Maximum time limit is 36 months. Borrowers must reapply every 12 months.)My total monthly gross income (see Definitions) is \$ . Each category requires additional documentation. See following page.

## Qualifications

- ☐ (1) I have been granted an economic hardship deferment under either the Federal Direct Loan Program or the Federal Perkins Loan Program for the same time period for which I request this deferment. **I must provide documentation of the deferment; OR**
- ☐ (2) I receive payment under a federal or state public assistance program, such as Aid to Families with Dependent Children, Supplemental Security Income, Food Stamps, or state general public assistance. **I must provide documentation of these payments; OR**
- ☐ (3) I work full-time **and** my total monthly federal education debt (see Definitions) equals or exceeds 20% of my monthly gross income (see Definitions) **and** the difference between my monthly gross income and my monthly federal education debt is less than 220% of the larger of the amounts listed in (5) below for my state. (Total monthly payments, adjusted, if necessary, to reflect the minimum 10-year repayment period, will be calculated by my lender based on my documentation.) **I must provide documentation of income and education debt** (see Documentation Requirements).

The total amount I borrowed for all of my federal education loans now in repayment (including the loans for which I am requesting deferment) is \$ ; **OR**

- ☐ (4) I do not work full-time, **and** my monthly gross income (see Definitions) does not exceed twice the larger amount listed in (5) below for my state **and** after deducting my total monthly payments for federal education debt (see Definitions) from my monthly gross income, the amount remaining does not exceed the larger of the amounts in (5) below for my state. (Total monthly payments, adjusted, if necessary, to reflect the minimum 10-year repayment period, will be calculated by my lender based on information I provide.) **I must provide documentation of income and education debt** (see Documentation Requirements).

The total amount I borrowed for all of my federal education loans now in repayment (including the loans for which I am requesting deferment) is \$ ; **OR**

- ☐ (5) I work full-time (see Definitions) **and** my monthly gross income (see Definitions) is no more than the larger of the amounts listed below for my state. **I must provide documentation of this income** (see Documentation Requirements).

(a) Federal Minimum Wage Rate (\$5.15 an hour) \$ 892.66

(b) Poverty Line for a Family of Two: • All States (except Alaska and Hawaii) including the District of Columbia \$ 884.17

• Alaska \$1,105.83

• Hawaii \$1,016.67

## Borrower Interest Selection, Understandings, and Certifications

**I understand that:** (1) My deferment begins on the date the deferment condition began but no more than six months before the date my lender receives this request; (2) My lender will not grant this deferment request unless all applicable sections of this form are completed and required documentation is provided; (3) Principal payments will be deferred, but if my loan is not subsidized by the federal government, I am responsible for paying the interest that accrues; (4) If I do not choose, by checking the box below (see Interest Selection), to make interest payments, my lender may capitalize (see Definitions) all unpaid interest to the extent permitted by law. This will increase the principal balance of my loans; and (5) My lender may grant me a forbearance for all payments due before the begin date of my deferment, or if my deferment has already ended, a forbearance for all payments due at the time my request is processed and may capitalize all unpaid interest.

**I certify that:** (1) The information provided above is true and correct; (2) I will provide documentation, as required, to my lender to support my deferment status; (3) I will notify my lender immediately when the condition(s) that qualified me for the deferment ends; and (4) I have read, understand, and meet the terms and conditions of the deferment for which I have applied.

**Interest selection:** ☐ By checking this box, I am indicating that I wish to make interest payments during my deferment.

Borrower Signature Date 

Send completed form to lender or servicer indicated in Section 4 on the following page.

## Section 2 — Definitions/Notices for Economic Hardship Deferment Request

- A **deferment** is a period during which I am entitled to postpone repayment of the principal balance of my loan. The Federal government pays the interest that accrues during an eligible deferment for all subsidized Federal Stafford loans and for Federal Consolidation loans for which the Consolidation loan application was received by the lender **(1)** on or after 1/1/93 but before 8/10/93, or **(2)** on or after 8/10/93 if it includes **only** Federal Stafford loans that were eligible for Federal interest subsidy. I am responsible for the interest that accrues during this period on all other Federal Family Education Loan Program loans.
- **Monthly gross income** is the gross amount of income you receive from employment (either full time or part time) and from other sources before taxes and other deductions.
- **Federal education debt** is your total loan debt under all federal postsecondary education loans listed here. (Defaulted loans for which you are making payments may be included.)

### Subsidized Loans

Federal Stafford Loans (Subsidized)  
Guarantee Student Loans (GSL)  
Federal Insured Student Loans (FISL)  
Federal Direct Stafford/Ford Loans  
Federal Direct Subsidized Consolidation Loans  
Federal Perkins Loans  
National Direct Student Loans (NDSL)  
National Defense Student Loans (NDSL)

### Unsubsidized Loans

Federal Stafford Loans  
(Unsubsidized - made on or after 10/1/92)  
Federal Supplemental Loans for Students (SLS)  
Federal Consolidation Loans  
Federal Direct Unsubsidized Consolidation Loans  
Federal Direct Unsubsidized Stafford/Ford Loans  
Auxiliary Loans to Assist Students (ALAS)  
Health Professions Student Loans (HPSL)  
Health Education Assistance Loans (HEAL)  
Federal PLUS Loans  
Parent Loans for Undergraduate Students (PLUS)  
Federal Direct PLUS Loans  
Federal Direct PLUS Consolidation Loans  
Other loans made under Subpart II of Part A  
of Title VII of the Public Health Service Act  
and Subpart II of Part B of Title VIII of the Public Health Service Act

- **Full-Time** employment is defined as working at least 30 hours per week in a position expected to last at least three consecutive months.
- **Capitalization** is a process whereby a lender adds unpaid interest to the principal balance of a loan. If my interest is capitalized, it will increase the total amount of interest that I will owe on my loan.

## Section 3 — Documentation Requirements

**Documentation requirements that I must provide my lender for my initial period of Economic Hardship Deferment under (1) through (5) in Section 1 are provided below:**

- (1) Documentation of the deferment that has been granted under either the Federal Direct Loan Program or the Federal Perkins Program.
- (2) Documentation that confirms that I received payments under a federal or state assistance program.
- (3) Documentation of my most recent monthly gross income and documentation of my total federal education debt (i.e., disclosure statement, current repayment schedule). The documentation must include the monthly payment amount, beginning loan balance, and repayment terms. If any loans are in default, I must provide documentation that I have made payment arrangements acceptable to the holder of the loan. Documentation is needed only for those loans not held by the lender listed in Section 4.
- (4) Same as (3) above.
- (5) Documentation of my most recent monthly gross income (i.e., check stubs, EFT notices, etc.).

For a **subsequent period of Economic Hardship Deferment** that begins less than one year after the end of a previous deferment period, I must provide my lender with **(a)** documentation of my most recent total monthly gross income, **and (b)** a copy of my Federal income tax return if one was filed during the preceding eight months.

### Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1840-0716. The time required to complete this information collection is estimated to average ten (10) minutes per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. **If you have any comments concerning the accuracy of the time estimate or suggestions for improving this form, please write to: U.S. Department of Education, Washington, DC 20202-4651. If you have comments or concerns regarding the status of your individual submission of this form, write directly to the lender or servicer identified below (Section 4).**

## Section 4 — Lender or Servicer Information

Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Telephone Number (        ) \_\_\_\_\_